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CHAPTER 37

NONINTOXICATING LIQUORS. BEER AND OTHER MALT LIQUORS

H. F. 587

AN ACT to amend sections nineteen hundred and twenty-three (1923), twenty hundred seventy-two (2072), twenty-one hundred thirty (2130) and twenty-one hundred thirty-six (2136) of the code of Iowa, 1931, all relating to intoxicating liquors; to provide revenue for the state of Iowa and certain of its municipal subdivisions, including all the code to the state of Iowa and certain of its municipal subdivisions, including cities and towns under special charter, by taxation of and from permits to manufacture, and/or sell certain nonintoxicating liquors and to issue permits for and regulate the manufacture and sale thereof.

Be it enacted by the General Assembly of the State of Iowa:

SECTION 1. That section one thousand nine hundred twenty-three (1923) of the code of Iowa, 1931, be and the same is hereby amended by striking the period after the word "whatever" in line six (6) there-

of and inserting in lieu thereof the following:

"provided, however, that the words 'liquor' or 'intoxicating liquor' wherever used in title six of the code of Iowa, 1931, shall not be con-6 strued to include beer, ale, porter, stout, or any other malt liquor containing not more than three and two-tenths per centum (3.2%) of alcohol by weight."

- That section twenty hundred seventy-two (2072) of the code of Iowa, 1931, is hereby amended by striking out the words "except malt liquors" appearing in the fourth (4th) line thereof. 3
- That section twenty-one hundred thirty (2130) of the code of Iowa, 1931, is hereby amended by striking out the words "not 3 including malt liquors" appearing in the fifth (5th) line thereof.
- That section twenty-one hundred thirty-six (2136) of the code of Iowa, 1931, is hereby amended by striking out all of the last 3 paragraph of subsection twelve (12) thereof.
 - SEC. 5. The term "person" as used in this act shall include corporation, firm, copartnership and association.
 - a. "Brewer" shall mean any person, firm or corporation who shall manufacture for purpose of sale, barter, exchange, or transportation, beer containing not more than three and two-tenths per centum (3.2%) of alcohol by weight.
 - "Bottler" shall mean any person, firm or corporation other than a brewer who shall place in bottles, beer containing not more than three and two-tenths per centum (3.2%) of alcohol by weight for the purpose of sale, barter, exchange, offering for sale at wholesale or having in possession with intent to sell at wholesale. A bottler shall be required to hold a class "A" permit under the provisions of this act.
- "Wholesaler" shall mean any person, firm or corporation, other than a brewer or bottler, who shall sell, barter, exchange, offer for sale, have in possession with intent to sell, deal or traffic in, beer containing not more than three and two-tenths per centum (3.2%) of alcohol by weight, provided, however, that no wholesaler shall be 17. permitted to sell for consumption upon the premises.
- 18 d. "Retailer" shall mean any person, who shall sell, barter, ex-19 change, offer for sale or have in possession with intent to sell any beer 20

containing not more than three and two-tenths per centum (3.2%) of alcohol by weight for consumption on the premises where sold.

e. "Dealer" shall mean any person, firm or corporation, other than a brewer, bottler, wholesaler or retailer, who shall sell, barter, exchange, offer for sale, have in possession with intent to sell, deal or traffic in beer containing not more than three and two-tenths per centum (3.2%) of alcohol by weight, not to be consumed in or upon the premises where sold.

f. "Permit" shall mean an authorization issued by the treasurer of state of the state of Iowa or by the city or town council of any

incorporated city or town.

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g. "Application" shall mean a formal written request for the issuance of a permit supported by verified statement of facts.

h. "Regulation" shall mean any reasonable rule or ordinance adopted by the council or board of any city, or town and not in conflict with the provisions of any of the statutes of the state of Iowa.

i. "Beer" shall mean any liquid capable of being used for beverage purposes made by the fermentation of an infusion in potable water of barley, malt and hops, with or without unmalted grains or decorticated and degerminated grains containing not more than three and two-tenths per centum (3.2%) of alcohol by weight.

and two-tenths per centum (3.2%) of alcohol by weight.
j. "National prohibition act" is title two (2) of act of the congress of the United States of America enacted October 28, 1919 (U.S. C. Title 27) and shall include any amendments to the same and lawful

45 regulations thereunder.

- SEC. 6. Permits for the manufacture and sale, or sale of beer containing not more than three and two-tenths per centum (3.2%) of alcohol by weight shall be divided into three (3) classes, and shall be known as either class "A", class "B" or class "C" permits, except as otherwise provided in this act. A class "A" permit shall allow the holder thereof to manufacture and/or sell at wholesale beer containing not more than three and two-tenths per centum (3.2%) of alcohol by weight. A class "B" permit shall allow the holder thereof to sell at retail beer containing not more than three and two-tenths per centum (3.2%) of alcohol by weight for consumption on or off the premises. A class "C" permit shall allow the holder thereof to sell at retail beer containing not more than three and two-tenths per centum (3.2%) of alcohol by weight for consumption off the premises.
- SEC. 7. Power is hereby granted to the treasurer of state of the state of Iowa to issue the class "A" permit, provided for in this act, and to revoke the same for causes herein stated. Power is hereby granted to cities and incorporated towns, including cities under special charter, to issue the class "B" and "C" permits and to revoke the same for causes herein provided.
- SEC. 8. All permits provided for in this act shall expire at the end of one (1) year from date of issuance, and may be renewed for a like period upon application being made therefor to the proper authorities as in this act provided. Permits hereunder defined shall be issued only to persons who are citizens of the state of Iowa, who are of good moral character and repute, provided, however, that in the case of a

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- corporation the word "citizen" as used in this section shall be construed to mean a corporation organized and existing or permitted and authorized to do business under the laws of this state.
- 1 SEC. 9. It shall be unlawful for any person or persons to be either directly or indirectly interested in more than one (1) class of permit.
 - SEC. 10. A class "A" permit shall be issued by the authority so empowered in this act to any person who:
 - 1. Submits a written application for a permit, which application shall state under oath:
 - The name and place of residence of the applicant and the length of time he has lived at such place of residence.
 - b. That he is a citizen of the state of Iowa.
- The place of birth of the applicant, and if the applicant is a 8 9 naturalized citizen, the time and place of such naturalization.
- 10 d. The location of the place or building where the applicant intends 11 to operate.
- e. The name of the owner of the building and if such owner is not the applicant, that such applicant is the actual lessee of the 12 13 14 premises.
 - 2. Establishes:
 - That he is a person of good moral character.
 - That the place or building where he intends to operate conforms to all laws, health and fire regulations, applicable thereto, and is a safe and proper place or building.
 - 3. Furnishes a bond in the form prescribed and to be furnished by the treasurer of state of the state of Iowa, with good and sufficient sureties to be approved by the treasurer of state of the state of Iowa, conditioned upon the faithful observance of this act, in the sum of five thousand dollars (\$5000.00).
 - SEC. 11. Except as otherwise provided in this act a class "B" permit shall be issued by the authority so empowered in this act to any person who:
 - 1. Submits a written application for a permit, which application shall state under oath:
 - a. The name and place of residence of the applicant, and the length of time he has lived at such place of residence.
 - b. That he is a citizen of the state of Iowa.c. The place of birth of the applicant, and if the applicant is a naturalized citizen, the time and place of such naturalization.
 - d. The location of the place or building where the applicant intends to operate.
 - e. The name of the owner of the building and if such owner is not the applicant that such applicant is the actual lessee of the premises.
 - 2. Establishes:
 - That he is a person of good moral character.
- 18 That the place or building where he intends to operate conforms 19 to all laws, health and fire regulations applicable thereto, and is a 20 safe and proper place or building. 21
 - 3. Furnishes a bond in the form prescribed and to be furnished

- by the treasurer of state or the state of Iowa, with good and sufficient sureties to be approved by the council of the city or town to 23 which application is submitted, conditioned upon the faithful observ-24 25 ance of this act, in the sum of two thousand dollars (\$2000.00).
 - SEC. 12. A class "C" permit shall be issued by the authority so 2 empowered in this act to any person who:
 - Submits a written application for a permit, which application shall state under oath:
 - The name and place of residence of the applicant and the length
 - of time he has lived at such place of residence.

 b. That he is a citizen of the state of Iowa.

 c. The place of birth of the applicant and if the applicant is a naturalized citizen, the time and place of such naturalization. 8 9
- 10 The location of the place or building where the applicant in-11 tends to operate.
- The name of the owner of the building and if such owner is 12 not the applicant that such applicant is the actual lessee of the 13 14 premises.
 - Establishes:

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- That he is a person of good moral character.
- That the place or building where he intends to operate conforms to all laws, health and fire regulations applicable thereto and is a safe and proper place or building.
- Furnishes a bond in the form prescribed and to be furnished 21 by the treasurer of state of the state of Iowa, with good and suffi-22 cient sureties to be approved by the council of the city or town to 23 which such application is submitted, conditioned upon the faithful 24 observance of this act, in the sum of one thousand dollars (\$1000.00).
 - SEC. 13. Any person holding a class "A" permit issued by the treasurer of the state of the state of Iowa, as in this act provided, shall be authorized to manufacture and sell, or sell at wholesale, beer containing not more than three and two-tenths per centum (3.2%) of alcohol by weight for consumption off the premises, such sale or sales to be made only to persons holding subsisting class "B" or "C" permits issued in accordance with the provisions of this act.
 - SEC. 14. Subject to the provisions of this act, any person holding a class "B" permit issued by the council of the municipal corporation in which the place of business of the holder of such permit is located, shall be authorized to sell beer containing not more than three and two-tenths per centum (3.2%) of alcohol by weight for consumption on or off the premises, provided, however, that if a sale is made for consumption off the premises the holder of such permit shall sell not less than one hundred forty-four ounces (144 oz.) to any one purchaser.
 - SEC. 15. Any person holding a class "C" permit issued by the council of the municipal corporation in which the place of business of the holder of such permit is located, shall be allowed to sell not less than one hundred forty-four ounces (144 oz.) of beer containing not more than three and two-tenths per centum (3.2%) of alcohol by weight for consumption off the premises, provided, however, that such

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sales when made shall be in original sealed packages only, and un-8 refrigerated.

Subject to the provisions of this act, any dining-car com-SEC. 16. pany, sleeping-car company, railroad company, or railway company may make application to the treasurer of state of the state of Iowa for a class "B" permit, and said treasurer of state shall be empowered to issue such permit, authorizing the holder thereof to sell beer containing not more than three and two-tenths per centum (3.2%) of alcohol by weight in any dining car, buffet or observation car operated by such applicant in, through or across the state of Iowa, for consumption on the car licensed exclusively, which application shall be in writing and shall state under oath:

The name of the applicant and the address of the applicant's principal business office.

The name, number and kind of a car in which such beer is to be served.

The points in this state between which such car is operated. c.

15 16 The name and address of the officer or employee of such applid. 17 cant, under whose immediate jurisdiction such car or cars are 18 operated.

All applicants for a class "B" permit authorizing the sale and service of beer on dining cars, buffet and observation cars shall be required to furnish a bond with good and sufficient sureties thereon to be approved by the treasurer of state of the state of Iowa conditioned upon the faithful performance of this act in the sum of one thousand dollars (\$1000.00).

SEC. 18. Cities and incorporated towns, including cities under special charter, shall upon proper application issue to a club a class "B" permit for the sale of beer containing not more than three and two-tenths per centum (3.2%) of alcohol by weight for consumption on the premises, subject to the provisions of this act.

SEC. 19. No club shall be granted a class "B" permit under this act:

If the premises occupied by such club are not wholly within the territorial limits of the city, town or special charter city to which such application is made; provided, however, that a golf or country club located outside the territorial limits of the city, town or special charter city may be issued a class "B" permit by the local board of supervisors, and further provided that all of the permit fees authorized under this paragraph shall be collected and retained by the county in which such golf or country club is located and credited to the general fund of said county and provided further that such golf or country club shall comply with the restrictions contained in the succeeding paragraphs of this section.

b. If it is a proprietary club, or operated for pecuniary profit.

Unless it is incorporated under the laws of the state of Iowa, and its charter is in full force and effect, and/or excepting regularly chartered branches of nationally incorporated organizations.

Unless such club has a permanent local membership of not less

than fifty (50) adult members.

Unless the application for such permit is approved by a majority

of the bona fide members of such club who are present at a regular meeting, or a special meeting called to consider the same.

- f. Unless it was in operation as a club on the first day of January, A. D. 1933, or, being thereafter formed, was in continuous operation as a club for at least two (2) years immediately prior to the date of its application for a class "B" permit.
 - SEC. 20. Every club desirous of obtaining a class "B" permit shall make a written application therefor, executed by its president and attested by its secretary or other similar officers, performing the duties usually performed by a president or secretary, which application shall state under oath:
 - a. The name of the club and the location of the premises occupied by it.
 - b. The names of the officers of said club.

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- c. That the premises occupied by said club are wholly within the corporate limits of the city or town to which such application is made.
- d. The purposes for which such club was formed and is maintained, and the number of the bona fide members thereof regularly paying dues.
- e. That the application for such permit was approved by a majority of the bona fide members of such club present at a regular meeting or at a special meeting called to consider the same.
- SEC. 21. Every club making application for a class "B" permit shall furnish a bond with good and sufficient sureties to be approved by the council of the city in which such club is located, conditioned upon the faithful observance of this act. Such bond shall be in the sum of two thousand dollars (\$2000.00).
- SEC. 22. No holder of a class "B" permit shall keep or maintain any bar or counter over which beer is sold, provided, however, that beer containing not more than three and two-tenths per centum (3.2%) of alcohol by weight, may be serviced and consumed at restaurants licensed as such having sufficient tables and chairs to accommodate twenty-five (25) persons at one time, and at which food is regularly sold for consumption, when such beer is consumed with food sold to said customer for consumption at said time.
- SEC. 23. Hotels, inns and taverns holding class "B" permits may serve beer to their guests either in the dining room or dining rooms or to any guests duly registered at such hotel in the rooms of such guests and such service for the purposes of this act shall not be construed as a service of beer for consumption off the premises.
- SEC. 24. No holder of a permit under the provisions of this act shall exhibit or display or permit to be exhibited or displayed on the premises any signs or posters containing the words "bar", "barrooms", "saloon" or words of like import. No person shall furnish to any minor under twenty-one (21) years of age, by gift, sale or otherwise, any beer as defined in this act, nor shall any such beer be sold to any person between the hours of twelve o'clock midnight on Saturday night and seven o'clock of the following Monday morning.

SEC. 25. No permit shall be granted to any person under the provisions of this act unless the premises occupied by such permit holder wherein beer is to be sold, are wholly within the corporate limits of a city, incorporated town or special chartered city of the state of Iowa.

SEC. 26. No brewer, bottler or wholesaler shall supply, furnish, give or pay for any furniture, fixtures, furnishings, or equipment used in or about any place, which shall require a class "B" permit except as herein provided. No brewer, bottler or wholesaler shall advance, furnish money for or pay for any permit or tax which may be required to be paid by any dealer or retailer except as herein provided. No brewer, bottler or wholesaler shall be financially interested either directly or indirectly in the conduct or operation of the business of a retailer or dealer as herein defined except as herein provided. Nothing contained herein shall be construed as prohibiting the leasing of real estate owned by a brewer, bottler or wholesaler, to any permit holder.

SEC. 27. The authorities empowered by this act to issue permits shall make a thorough investigation to determine the fitness of the applicant and the truth of the statements made in and accompanying the application, and the decision of such authority on the application shall be rendered within thirty (30) days after the application is received. The annual permit fee for a class "A" permit shall be two hundred fifty dollars (\$250.00). The annual permit fee for class "B" permit, except class "B" permits issued to a dining-car company, sleeping-car company, railroad company, or railway company for dining, buffet or observation cars, or to hotels, inns and taverns, shall be one hundred dollars (\$100.00). The annual permit fee for class "B" permits to be issued under the provisions of this act to a sleeping-car company, dining-car company, railroad company or railway company for dining, buffet or observation cars shall be fifteen dollars (\$15.00) for each such car, provided, however, that such dining, buffet or observation car in which beer is sold shall display the permit issued in each such car on forms furnished by the treasurer of state of the state of Iowa. The class "B" permits to be issued under the provisions of this act to hotels, inns or taverns, shall be as follows:

a. Hotels, inns or taverns having two hundred fifty (250) guest rooms or more, shall pay an annual permit fee of two hundred fifty dollars (\$250.00).

b. Hotels, inns or taverns having more than one hundred (100) and less than two hundred fifty (250) guest rooms shall pay an annual permit fee of one hundred fifty dollars (\$150.00).

c. Hotels, inns or taverns having one hundred (100) guest rooms or less shall pay an annual permit fee of one hundred dollars (\$100.00). The permit fee for class "C" permits shall be twenty-five dollars (\$25.00).

SEC. 28. In addition to the annual permit fee to be paid by all class "A" permittees, under the provisions of this act, there shall be levied and collected from such permittees on all beer containing not more than three and two-tenths per centum (3.2%) of alcohol by weight, manufactured for sale and sold in this state at wholesale and on all beer imported into this state for sale at wholesale and sold in

this state at wholesale, a tax of one and 24/100 dollars (\$1.24) for every barrel containing thirty-one (31) gallons, and at a like rate for any other quantity or for the fractional parts of a barrel.

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SEC. 29. Every person holding a class "A" permit shall on or before the tenth (10th) day of each calendar month commencing on the tenth (10th) day of the calendar month following the month in which such person is issued a permit, make a report under oath to the treasurer of state of the state of Iowa upon forms to be furnished by him for such purpose showing the exact number of barrels of beer, or fractional parts thereof, sold by such permit holder during the preceding calendar month. Such report shall also state the name and address of the several purchasers of such beer and the date and amount of each purchase, and such permit holders shall at the time of filing said report pay to the treasurer of state of the state of Iowa the amount of tax due at the rate fixed in accordance with the provisions of this act.

SEC. 30. Each class "A" permittee shall keep proper books of accounts and records showing the amount of beer sold by him, which books of account shall be at all times open to inspection by the treasurer of state of the state of Iowa, or his authorized representative. Each class "B" and class "C" permittee shall keep proper books of account and records showing each purchase of beer made by him, the date and the amount of each purchase and the name of the person from whom each purchase was made, which books of accounts and records shall be at all times open to inspection by the treasurer of state of the state of Iowa, or his authorized representative.

SEC. 31. Every class "A" permittee having more than one (1) place of business shall be required to have a separate license for each separate place of business maintained by such permittee wherein such beer is stored, warehoused, or sold.

SEC. 32. Every person holding a class "B" or class "C" permit having more than one (1) place of business wherein such beer is sold shall be required to have a separate license for each separate place of business.

SEC. 33. If a permit holder under the provisions of this act, is convicted of a felony or is convicted of a sale of intoxicating beverages contrary to the provisions of this act his permit shall be revoked and he shall not again be allowed to secure a permit for the distribution or sale of beer containing not more than three and two-tenths per centum (3.2%) of alcohol by weight nor shall he be an employee of any person engaged in the manufacture, distribution or sale of beer containing not more than three and two-tenths per centum (3.2%) of alcohol by weight.

SEC. 34. All outdoor advertising about or concerning any beer permitted to be manufactured and sold under the provisions of this act shall be of a standardized character and no person within the state shall publish or display any outdoor advertising about or concerning such beer without first having obtained the written approval of such

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plan or form of advertising from the executive council of the state 7 of Iowa.

SEC. 35. It shall be unlawful for the holder of any class "B" or class "C" permit issued under the provisions of this act to purchase beer containing not more than three and two-tenths per centum (3.2%) of alcohol by weight for resale, from any person other than a person holding a subsisting class "A" permit issued in accordance with the provisions of this act.

The revenues obtained from permit fees and the barrel tax collected under the provisions of this act shall be distributed as follows:

In all counties in which there is a city having a population of Я. more than ten thousand (10,000), permit fees collected under the provisions of this act by any municipality shall be retained by such municipality and allocated to its general fund; in all other counties fifty per cent of the permit fees collected under the provisions of this act by any municipality shall be retained by it and allocated to its general fund, and fifty per cent shall be paid to the county treasurer and accrue to the general fund of such county.

b. All license fees and taxes collected by the treasurer of state of the state of Iowa shall accrue to the state sinking fund for public deposits as created in chapter three hundred fifty-two-A one (352-A1)

15 of the 1931 code of Iowa.

SEC. 37. Cities and incorporated towns, including cities under special charter, are hereby empowered to enact ordinances for the enforce-1 3 ment of this act in conformity with the provisions of this act.

Any person who violates any of the provisions of this act, or who manufactures or sells beer without a permit as provided herein, 3 or who makes a false statement concerning any of material fact in 4 submitting any application for a license, or for a renewal of a license, or in any hearing concerning the revocation thereof, shall be pun-5 ished by a fine of not less than three hundred dollars (\$300.00), nor more than one thousand dollars (\$1000.00), or by imprisonment in the 8 county jail for not less than three (3) months, nor more than one (1) year, or by both such fine and imprisonment. It is hereby made un-10 lawful for any person to use or consume beer upon the public streets or highways, or in automobiles or other vehicles on said streets or 11 12 highways, and any person violating this provision of this act shall 13 be fined not to exceed one hundred dollars (\$100.00) or sentenced to 14 thirty days in the county jail, or both such fine and jail sentence.

SEC. 39. If any part of this act is held to be unconstitutional or invalid by the courts, such decision shall not affect the valid portions of this act.

SEC. 40. This act being deemed of immediate importance shall be in full force and effect from and after its publication in the Sioux City Tribune, a newspaper published in the city of Sioux City, Iowa,

4 and the Fort Dodge Messenger, a newspaper published in the city of 5 Fort Dodge, Iowa.

House File No. 587. Approved April 15, 1933.

I hereby certify that the foregoing act was published in the Sioux City Tribune, April 17, 1933, and the Fort Dodge Messenger, April 17, 1933.

Mrs. Alex Miller, Secretary of State.

CHAPTER 38

NONINTOXICATING LIQUORS. AMENDATORY TO HOUSE FILE 587

H. F. 611

AN ACT to amend house file five hundred eighty-seven (587), acts of the forty-fifth (45) general assembly, authorizing the sale of certain nonintoxicating liquors and regulating the sale and providing for the expenses of the administration thereof.

Be it enacted by the General Assembly of the State of Iowa:

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SECTION 1. That section eleven (11) of house file five hundred eighty-seven (587), acts of the forty-fifth (45) general assembly, be amended by adding between the seventeenth and eighteenth lines thereof which is the end of the first numbered paragraph of said section, the following:

"f. That the place of business for which the permit is sought is and will continue to be equipped with sufficient tables and seats to accommodate twenty-five (25) persons at one time."

SEC. 2. That section thirteen (13) of house file five hundred eighty-seven (587), acts of the forty-fifth (45th) general assembly, be amended to read as follows:

"Any person holding a class A permit issued by the treasurer of the state of Iowa, as in this act provided, shall be authorized to manufacture and sell, or sell at wholesale, beer containing not more than three and two-tenths per cent (3.2%) of alcohol by weight for consumption off the premises, all such sales within the state of Iowa to be made only to persons holding subsisting class A, B or C permits issued in accordance with the provisions of this act."

SEC. 3. That section fourteen (14) of house file five hundred eighty-seven (587), acts of the forty-fifth (45th) general assembly, be amended to read as follows:

"Sec. 14. Subject to the provisions of this act, any person holding a class B permit, issued by the council of the municipal corporation in which the place of business of the holder of such permit is located, shall be authorized to sell beer containing not more than three and two-tenths per centum (3.2%) of alcohol by weight for consumption on or off the premises; provided, however, that unless otherwise provided in this act, or in section twenty-three (23), house file number 587, no sale of beer shall be made for consumption on the premises unless food is served and consumed therewith, and unless such place where such service is made is equipped with tables and seats sufficient to accommodate not less than twenty-five persons at one time; and if a

to accommodate not less than twenty-five persons at one time; and if a sale is made for consumption off the premises, the holder of such per-